

May 31, 2018

The National Stock Exchange of India Ltd.  
Corporate Communications Department  
"Exchange Plaza", 5<sup>th</sup> Floor,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai - 400051

BSE Limited  
Corporate Services Department  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

Scrip Symbol: RELIGARE EQ

Scrip Code: 532915

**Subject: Outcome of Board Meeting / Updates**

Dear Sir(s),

We would like to inform you that the Board of Directors at their meeting held today i.e. May 30, 2018, (started at 10:30 A.M. and concluded on May 31, 2018 at 02:30 A.M.) has inter-alia:

1. Approved Audited Standalone & Consolidated Financial Results of the Company for the year ended March 31, 2018 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A copy of the Standalone & Consolidated Audited Financial Results along with Audit Reports is enclosed herewith as **Annexure - A**.
2. Audit Report on Standalone Financial Results is with unmodified opinion. A declaration to that effect is attached herewith as **Annexure - B**.
3. Audit Report on Consolidated Financial Results is with modified opinion. Statement on Impact of Audit Qualifications for Audit Report issued on Consolidated Financial Result is attached herewith as **Annexure -C**.

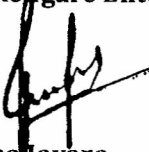
Further, the Board of Directors of Religare Finvest Limited, material subsidiary Company in their Board meeting concluded today have approved the NPA provision of Rs. 1012.85 Crore on Corporate Loan Book for the year ended March 31, 2018.

This is for your kind information and record.

Thanking you,

Yours truly,

**For Religare Enterprises Limited**

  
**Reena Jayara**  
Company Secretary



Enclosure: a/a

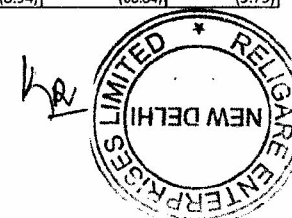
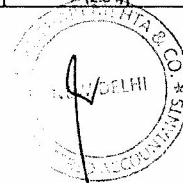
**RELIGARE ENTERPRISES LIMITED**

Regd. Office : 2nd Floor, Rajlok Building, 24, Nehru Place, New Delhi - 110019

**Statement of Standalone for the Quarter and Year Ended March 31, 2018 and Consolidated Audited Financial Results for the Year Ended March 31, 2018**

Rs in lakhs

| Sr No | Particulars                                                                                                                          | Standalone Results          |                                              |                                               |                          |                                            | Consolidated Results     |                          |
|-------|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------------|-----------------------------------------------|--------------------------|--------------------------------------------|--------------------------|--------------------------|
|       |                                                                                                                                      | Quarter Ended<br>31/03/2018 | Quarter Ended<br>31/12/2017<br>(post Merger) | Quarter Ended<br>31/03/2017<br>(as published) | Year ended<br>31/03/2018 | Year Ended<br>31/03/2017<br>(as Published) | Year Ended<br>31/03/2018 | Year Ended<br>31/03/2017 |
|       |                                                                                                                                      | (Audited)                   | (Unaudited)                                  | (Audited)                                     | (Audited)                | (Audited)                                  | (Audited)                | (Audited)                |
| 1     | Revenue                                                                                                                              |                             |                                              |                                               |                          |                                            |                          |                          |
|       | a. Revenue from Operations                                                                                                           | 33.26                       | 783.55                                       | 175.07                                        | 730.06                   | 3,459.15                                   | 2,58,675.68              | 3,77,175.95              |
|       | b. Other Income*                                                                                                                     | 1,293.06                    | 13.19                                        | 7.32                                          | 6,369.53                 | 50.17                                      | 10,638.46                | 6,926.13                 |
|       | <b>Total Revenue (a+b)</b>                                                                                                           | <b>1,326.32</b>             | <b>796.74</b>                                | <b>182.39</b>                                 | <b>7,099.59</b>          | <b>3,509.32</b>                            | <b>2,69,314.14</b>       | <b>3,84,102.08</b>       |
| 2     | Expenses                                                                                                                             |                             |                                              |                                               |                          |                                            |                          |                          |
|       | (a) Employee Benefits Expense                                                                                                        | 91.03                       | 629.57                                       | 37.79                                         | 1,854.43                 | 335.22                                     | 49,834.81                | 64,498.70                |
|       | (b) Finance Costs                                                                                                                    | 1,357.03                    | 1,274.68                                     | 3,826.83                                      | 4,988.56                 | 15,562.99                                  | 1,26,102.18              | 1,83,629.80              |
|       | (c) Depreciation and Amortization Expense                                                                                            | 30.22                       | 50.08                                        | 8.15                                          | 205.91                   | 37.98                                      | 3,760.69                 | 3,096.88                 |
|       | (d) Other Expenses                                                                                                                   | 6,995.58                    | 3,010.35                                     | 645.24                                        | 11,783.69                | 2,284.32                                   | 2,47,401.64              | 1,02,324.76              |
|       | <b>Total Expenses (a to d)</b>                                                                                                       | <b>8,473.86</b>             | <b>4,964.68</b>                              | <b>4,518.01</b>                               | <b>18,832.58</b>         | <b>18,220.51</b>                           | <b>4,27,099.32</b>       | <b>3,53,550.14</b>       |
| 3     | <b>Profit/ (Loss) Before Exceptional items and Tax (1-2)</b>                                                                         | <b>(7,147.54)</b>           | <b>(4,167.94)</b>                            | <b>(4,335.62)</b>                             | <b>(11,732.99)</b>       | <b>(14,711.19)</b>                         | <b>(1,57,785.18)</b>     | <b>30,551.94</b>         |
| 4     | Exceptional Items                                                                                                                    |                             |                                              |                                               |                          |                                            |                          |                          |
|       | (a) Write Back of Provision for Diminution in the value of Long Term Investments in a subsidiary                                     | -                           | -                                            | 45,385.00                                     | -                        | 45,385.00                                  | -                        | 45,000.00                |
|       | (b) Write off Investment in lieu of Reduction of Share Capital by a subsidiary company                                               | -                           | -                                            | -                                             | -                        | -                                          | -                        | -                        |
|       | (c) Provision for Diminution in the value of Long Term Investments in a subsidiary                                                   | -                           | -                                            | (1,000.00)                                    | -                        | (1,500.00)                                 | -                        | (1,500.00)               |
|       | (d) Provision for Diminution in the value of Long Term Investments in a subsidiary                                                   | -                           | -                                            | -                                             | -                        | -                                          | -                        | -                        |
|       | (e) Profit on Sale of Long Term Investment in Subsidiary/ Joint Venture                                                              | -                           | -                                            | (44,999.10)                                   | -                        | (44,999.10)                                | -                        | (8,325.08)               |
|       | (f) Loans / Sundry Balances written off                                                                                              | -                           | -                                            | -                                             | -                        | -                                          | -                        | (79,367.20)              |
|       | (g) Impairment of goodwill on consolidation                                                                                          | -                           | -                                            | -                                             | -                        | -                                          | -                        | -                        |
| 5     | <b>Profit / Loss Before Tax and extraordinary items (3-4)</b>                                                                        | <b>(7,147.54)</b>           | <b>(4,167.94)</b>                            | <b>(4,949.72)</b>                             | <b>(11,732.99)</b>       | <b>(15,825.29)</b>                         | <b>(1,57,785.18)</b>     | <b>(13,640.34)</b>       |
| 6     | Tax Expense                                                                                                                          |                             |                                              |                                               |                          |                                            |                          |                          |
|       | - For the year                                                                                                                       | -                           | -                                            | 108.86                                        | -                        | 155.06                                     | 792.86                   | 15,952.05                |
|       | - For earlier years                                                                                                                  | (1,224.63)                  | -                                            | -                                             | (1,224.63)               | (56.33)                                    | (1,219.19)               | 272.09                   |
|       | - MAT Credit entitlement                                                                                                             | 497.67                      | -                                            | -                                             | 497.67                   | -                                          | 497.67                   | (27.36)                  |
|       | - Deferred Tax (Net)                                                                                                                 | 12.26                       | -                                            | -                                             | 12.26                    | -                                          | (22,814.51)              | (17,501.23)              |
| 7     | <b>Net Profit / Loss After Tax (5-6)</b>                                                                                             | <b>(6,432.86)</b>           | <b>(4,167.94)</b>                            | <b>(5,058.58)</b>                             | <b>(11,018.29)</b>       | <b>(15,924.02)</b>                         | <b>(1,35,042.01)</b>     | <b>(12,335.89)</b>       |
| 8     | Extraordinary Items (Net of Tax)                                                                                                     | -                           | -                                            | -                                             | -                        | -                                          | -                        | -                        |
| 9     | <b>Net Profit/ (Loss) for the quarter(s)/ year(s) (7 - 8)</b>                                                                        | <b>(6,432.86)</b>           | <b>(4,167.94)</b>                            | <b>(5,058.58)</b>                             | <b>(11,018.29)</b>       | <b>(15,924.02)</b>                         | <b>(1,35,042.01)</b>     | <b>(12,335.89)</b>       |
| 10    | Less: Share of Minority Interest                                                                                                     | -                           | -                                            | -                                             | -                        | -                                          | (15,791.97)              | 5,071.52                 |
|       | Add : Share of Profit/ (Loss) from Associates                                                                                        | -                           | -                                            | -                                             | -                        | -                                          | -                        | (19.95)                  |
| 11    | <b>Net Profit/(Loss) for the quarter(s)/ year after taxes, minority interest and share of profit / (loss) of associates (9 - 10)</b> | <b>(6,432.86)</b>           | <b>(4,167.94)</b>                            | <b>(5,058.58)</b>                             | <b>(11,018.29)</b>       | <b>(15,924.02)</b>                         | <b>(1,19,250.04)</b>     | <b>(17,427.36)</b>       |
| 12    | <b>Paid-up Equity Share Capital</b><br>(Face Value of equity share Rs. 10 each)                                                      | 17,845.52                   | 17,845.52                                    | 17,833.45                                     | 17,845.52                | 17,833.45                                  | 17,845.52                | 17,833.45                |
| 13    | <b>Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year</b>                                      |                             |                                              |                                               | 2,12,326.36              | 1,67,691.52                                | 1,47,968.88              | 2,54,686.40              |
| 14    | <b>Earnings Per Share ("EPS") before and after extraordinary items of Rs 10 each fully paid up (not annualised)</b>                  |                             |                                              |                                               |                          |                                            |                          |                          |
|       | a) Basic EPS (Rs)                                                                                                                    | (3.61)                      | (2.34)                                       | (2.84)                                        | (6.19)                   | (8.94)                                     | (66.84)                  | (9.79)                   |
|       | b) Diluted EPS (Rs)                                                                                                                  | (3.61)                      | (2.34)                                       | (2.84)                                        | (6.19)                   | (8.94)                                     | (66.84)                  | (9.79)                   |



\*. The non operational income pertaining to support services arising on account of Composite Scheme of Arrangement and Profit on Sale of Non current investments has been reclassified under "Other income".

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statement of Standalone and Consolidated Audited Financials Results for the Year Ended March 31, 2018 and Standalone and Consolidated Audited Statement of Assets and Liabilities as on March 31, 2018 of Religare Enterprises Limited (the "REL/Company") have been reviewed by the Audit Committee and approved by the Board of Directors (the "Board") at its meeting held on May 30, 2018.

2. Figures of Standalone Financial Results for the quarter ended March 31, 2018 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures up to December 31, 2017 subjected to limited review

3. (a) The Hon'ble NCLT vide its order dated December 08, 2017 approved the Composite Scheme of Arrangement between Religare Securities Limited (excluding its broking business which has been demerged into Religare Broking Limited, a wholly owned subsidiary of the Company), Religare Commodity Broking Private Limited, RGAM Investment Advisers Private Limited, Religare Venture Capital Limited, Religare Arts Investment Management Limited, Religare Capital Finance Limited, RGAM Capital India Limited, Religare Investment Advisers Limited, Religare Support Services Limited, Religare Arts Initiative Limited, Religare Capital Markets (India) Limited, Religare Broking Limited and Religare Enterprises Limited. Certified copy of the NCLT Order has been filed with the Registrar of Companies on December 29, 2017. Appointed date of the Scheme is April 1, 2016 and effective date of the scheme is December 29, 2017.

(b) The amalgamation has been accounted for under the 'Pooling of Interest' method as prescribed by the Accounting Standard 14, 'Accounting for Amalgamations'.

Accordingly, the accounting treatment has been given as under:

1) The assets and liabilities as at April 01, 2016 amounting to Rs. 1,47,806.60 Lacs and Rs. 24,117.10 Lacs respectively were incorporated in the financial statement of the Company at its book value.

2) The investments held by the Company in transferor entities and related provision for diminution stand cancelled; the difference between book value of investments and face value of shares amounting to Rs 6525.65 Lacs has been credited to Capital Reserve.

3) All outstanding inter- corporate balances including inter- company investments as at April 01, 2016 stand cancelled.

4) The cumulative effect of reserves of all the entities as on April 01, 2016 amounting to Rs. 3,174.77 Lacs (Debit balance) of all the transferor entities have been incorporated under the head 'Reserves and Surplus'.

5) Pursuant to the Scheme of Arrangement, the broking business of Religare Securities Limited (RSL) got demerged into Religare Broking Limited (RBL) and RSL's net assets of Rs. 18,079.08 Lacs as at 1st April, 2016 have been transferred to RBL. As part of this transaction, the Company was allotted 34,492,800 equity shares of face value of Rs 10 each in RBL.

(c) The effect of the scheme is considered during previous quarter and nine months ended December 31, 2017 only. Figures for the quarter and year ended March 31, 2017 have not been reworked and restated. Accordingly, the results are not fully comparable

4. (i) During the year ended March 31, 2018:

(a) The Company had entered into a binding Term Sheet on December 19, 2017 with the Edelweiss group to sell its interests in its retail broking business subject to necessary approvals. The said binding arrangement expired in accordance with the terms thereof on March 15, 2018 since conditions specified in binding term sheet were not satisfied.

(b) The Company had entered into a share purchase agreement dated April 9, 2017 with a buyer consortium to sell its stake in Religare Health Insurance Company Limited (RHICL) to the buyer consortium. Metaaffinity Private Limited and Sarvapriya Healthcare Solutions Private Limited (certain purchasers in the buyer consortium) had filed a petition before the Delhi High Court under section 9 of the Arbitration and Conciliation Act, 1996 for interim directions against REL, RHICL and another party seeking certain specific reliefs against REL, RHICL and another party. On May 28, 2018, the Hon'ble High Court dismissed the petition filed by Metaaffinity and stated that the relief prayed in the petition cannot be granted. The buyer consortium has invoked arbitration in terms of the Share Purchase Agreement. Both the Claimants (i.e. buyer consortium parties) and the Respondents (i.e. REL & RHICL) have nominated their respective arbitrators.

5. (i) Subsequent to the quarter ended March 31, 2018, Pursuant to shareholders approval dated March 19, 2018, the Investment, Borrowing and Share Allotment Committee of the Board of Directors on April 19, 2018 issued and allotted 111,497,714 convertible warrants at a price of Rs. 52.30 per share (including a premium of Rs. 42.30 per share) each on preferential basis under the provisions of Chapter VII of Securities Exchange and Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended (ICDR Regulations) and Section 62 and 42 of the Companies Act, 2013. The company has received upfront payment of Rs. 14,578.35 lakhs equivalent to 25% of total consideration. Since the company has allotted warrants, there is no change in paid equity share capital of the Company. One domestic investor has not subscribed to the preferential issue, the Company has made an application to Ministry of Finance for allotment of warrants to two foreign investors approval of which is pending as on date.

(ii) Subsequent to March 31, 2018, two warrant holders have exercised their rights for conversion and applied for conversion of part of the warrants into equity shares. Accordingly, 38,24,091 equity shares were allotted to them on May 29, 2018. Consequently, paid up equity share capital of the Company has increased to Rs. 18,227.93/- lakhs comprising of 182,279,339 equity shares of the face value of Rs. 10/- each.

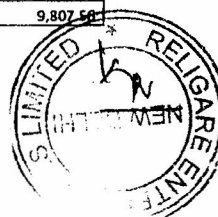
6. During the year ended March 31, 2018, the company has given corporate guarantee to bankers on behalf of its subsidiary companies Religare Securities Limited (now Religare Broking Limited) and Religare Capital Markets Limited (RCML) amounting to Rs. 42,500 lakhs and Rs. 4,000 lakhs respectively against the fund based and non-fund based facilities. As on March 31, 2018, the outstanding fund based and non-fund based facilities availed by Religare Broking Limited amounts to Rs. 1,615 lakhs. Further, the company has paid an amount of Rs 1,300.26 lakhs on account of full and final settlement of corporate guarantee given to banks on behalf of RCML. Accordingly, Corporate Guarantee given to Banker on behalf of RCML is fully discharged

7. Other expenses for the year ended March 31, 2018 includes provision on non-performing assets amounting to Rs. 8276.27 lakhs on inter corporate loan given and advance given for settlement of corporate guarantee given to banks.

8. (a) During the quarter the Company has made the following investments (including Equity Share Capital/ Preference Share Capital) in subsidiaries, joint ventures and associates:

| Sr No | Name of the Company                                              | (Rs in lakhs)                   |                            |
|-------|------------------------------------------------------------------|---------------------------------|----------------------------|
|       |                                                                  | For 3 Month ended<br>31/03/2018 | Year to date<br>31/03/2018 |
|       | <b>Investments in Subsidiaries</b>                               |                                 |                            |
| 1     | Religare Health Insurance Company Limited                        | 5,396.82                        | 6,747.56                   |
| 2     | Religare Comtrade Limited (through Religare Commodities Limited) | 1,200.00                        | 3,060.00                   |
|       |                                                                  | <b>6,596.82</b>                 | <b>9,807.56</b>            |

Note - Pursuant to Composite Scheme of Arrangement, the Company was allotted 34,49,28,000 equity shares of Rs 10 each of RBL.



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(b) Subsequent to the balance sheet date Argil Advisors LLP in which the company held 100% stake (pursuant to Amalgamation of RGAM Investment Advisers Private Limited and Religare Venture Capital limited with REL w.e.f. December 29, 2017), has been struck off from the register of Limited Liability Partnerships w.e.f. April 06, 2018. Accordingly, the entity stands dissolved from such date.

(c) During the quarter ended March 31, 2018, the Company has transferred its remaining 20% stake in Cerestra Advisors Private Limited ("Cerestra") w.e.f. March 15, 2018 to a third party. Accordingly, REL ceased to hold 20% in Cerestra w.e.f. March 15, 2018. Cerestra has ceased to be associate company of REL from such date.

9. REL had assigned the rights and obligation pertaining to shares of Bartleet Religare Securities Pvt Ltd to Religare Capital Markets Limited and Religare Capital Market (Mauritius) International Limited. During the year ended March 31, 2018, a non-resident share holder of Bartleet Religare Securities (Private) Limited (BRSPL) had exercised its put option for a consideration as per the Option Shareholders' Agreement. The Company and RCML (Mauritius) had entered into Sale and Purchase Agreement to sell investment in BRSPL held by Religare Capital Markets International (Mauritius) Limited, a step down subsidiary of the Company. RCML (Mauritius) is not consolidated into REL.

(b) During the year ended March 31, 2018, non-resident shareholders of Religare Finvest Limited ("RFL"), a subsidiary of the Company, subsequent to exercise of put option for a consideration as per the Option Agreement had filed petitions in the Delhi High Court praying for interim and mandatory relief or give bank guarantees of the said amounts in order to secure their interests. On January 5, 2018 the High Court passed an order stating the RFL shall maintain as unencumbered and not encash fixed deposits with Laxmi Vilas Bank Limited (LVB). As per the information available with management said the Fixed deposit has been encashed by LVB on Feb 22, 2018 Accounting impact will be given on the basis of outcome of the final order. The next hearing in the case has been scheduled for July 31, 2018.

10. Reserve Bank of India (RBI) vide its letter dated January 18, 2018 has advised RFL, a subsidiary of the Company, to adhere to the corrective action plan given by it. The said corrective action plan, inter alia, prohibits RFL from expansion of credit / investment portfolios other than investment in government securities and advises RFL not to pay dividend.

11. Axis Bank has filed an original application ("OA") before the DRT-II, Delhi for recovery of approx. Rs. 31,300 lakhs under a facility agreement between Axis Bank and Religare Capital Markets International (Mauritius) Limited ("RCMIML"), which is inter alia secured by security provided by Promoters and Religare Capital Markets Limited. REL has not provided any security/guarantee in relation the facility. REL has executed a Non-Disposal Undertaking ("NDU") in favour of Axis Bank stating that until the repayment of the loan to Axis Bank by RCMIML, REL shall not alienate the shares in RHCL. REL has been made a party to the proceedings based on the NDU and certain other actions taken by it. The DRT has passed an order dated 21.03.2018 directing inter-alia that REL shall not alienate or create any encumbrance in respect of certain assets and its shareholding in any company or business concerns to the extent of claimed amount and enter into any settlement with any creditors without the prior approval of DRT. REL has filed 2 applications on 08.05.2018 for deletion of REL as a party and recall of the order dated 21.03.2018 against REL. Next Date of hearing on this matter is on 31.05.2018.

12. Roto Power Private Limited ("RPPL") filed a winding up petition no. 150/2016 against Religare Support Services Limited ("RSSL") on December 17, 2015 alleging recovery of Rs. 72.05 lakhs which RPPL claims to be due for payment for services provided by it under agreements/arrangement between the RPPL and RSSL. RSSL invoked arbitration against RPPL under a service provider agreement entered into between RPPL and RSSL for an aggregate claim amount of Rs. 109 lakhs. Pursuant to a scheme of arrangement ("Scheme"), RSSL has been merged into REL. Clause 18 of the scheme provides that on and from the April 1, 2016 being the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date being December 29, 2017 shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. In view of this the winding up petition referred below is now automatically continued to be against REL.

13. The Audit Committee and the Board of Directors on December 8, 2016 & December 10, 2016 respectively, approved the payment of Brand License Fees to RHC Holding Private Limited ("RHC") for period of 6 years effective April 01, 2016 for usage of the "Religare" trademark/brand. Further, on January 17, 2017, the Audit Committee approved to enter into Sub-license Agreement with various subsidiaries for the sub-license and usage of the "Religare" mark for recovery from them on proportionate basis to their turnover, of the brand license fees payable by the Company to RHC.

Pursuant to letter dated February 21, 2017 between the company and RHC, for the ease of administration and operation, it has been agreed to pay such fees directly by operating subsidiaries of the Company. Accordingly, the Company advised its subsidiaries for payment of brand sub license fee prescribed under the Sub-license Agreement directly to RHC as due discharge of their obligation under the said Agreement. Accordingly, no related party transaction for expense and recovery thereof is accounted for in the Company. During the year ended March 31, 2018, RHC holding Pvt Limited has assigned the trade mark "Religare" and its logo to Elive Infotech Pvt Limited (assignee/Elive) and the right to sell, assign, transfer or encumber all or portion of its rights and obligations for the trade mark or other rights in said trade marks. Further, Elive has waived the right to receive the brand license fee from REL or its subsidiaries/affiliates till the time interest on loans availed by the group companies of Elive and RHC from Religare Finvest Limited is serviced.

14. (a) With reference to the emphasis of matter paragraph of the audit report dated June 29, 2017 of the Company for the year ended March 31, 2017, the explanation given by the management is as below:

Pursuant to the company's communication dated May 18, 2017 to SEBI regarding violation of SEBI (Prohibition of Inside Trading) Regulations 2015 ("PIT Regulation") with respect to a transaction regarding gift of equity shares by erstwhile Whole Time Director of the company. For non compliance of PIT regulations, as per the recommendation of the Audit Committee the monetary penalty was levied along with the restrictions on further trading in the previous year. Subsequent to the balance sheet date the Company has adjusted the penalty amount against the dues payable by the company to him. The Board of Directors of the Company in its meeting held on May 16, 2018 approved to contribute the penalty amount levied on him to Prime Minister National Relief Fund ("PMNRF")

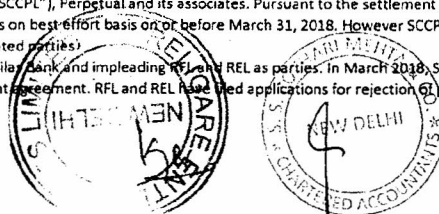
(b) With reference to the qualification of limited review report dated February 14, 2018 of the Company for the period ended December 31, 2017, the explanation given by the management is as below:

With representations of high quality professionals on Board, REL and RFL are committed to the highest standard of corporate governance, and assist in revival of the business of Religare Finvest Limited to its past growth. Accordingly REL expects the value of its investments in RFL to be sustainable in the future, and to create shareholder value going forward. No impairment, therefore, needs to be made in the investment made by REL in the equity of RFL. Management of the RFL is in the process of taking various action including the definitive additional capital infusion plan, induction of new management personnel, discussion with RBI for relaxing the restriction imposed on the business capability of the company, initiating detailed diligence from a law firm of repute of corporate loan book and recoverables from Strategic Credit Capital Pvt Ltd ("SCCPL") and Perpetual Credit Services Private Limited besides strengthening the internal controls and corporate governance mechanism. Considering all these measures, management is of the view that there would be significant improvement in the financial position of RFL.

15. The Company has an exposure of Rs 2,03,670 lakhs towards the Corporate Loan Book. RBI has raised concerns in the past about the credit worthiness of the borrowers, credit appraisal and loan sanctioning mechanism followed by the company in respect of this book. The current management has reviewed the portfolio and the financial reports of the borrowers to determine the recoverability of the said loans. As a part of the recovery process, the management has already issued legal notices to the borrowers and is in the process of initiating further action on the same. The Company is also in the process of appointing a law firm of repute to undertake a detailed diligence on this loan book. Post submission of the report and the steps outlined for recovery, the Company intends to pursue all legal means for recovering the loans. In the interim based on the security available, maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, the Company has, on a prudent basis, made a provision of Rs.1,01,285 lakhs against this portfolio.

16. In July 2017, RFL (pursuant to the approval of its board of directors) executed a settlement agreement with Strategic Credit Capital Private Limited ("SCCPL"), Perpetual and its associates. Pursuant to the settlement agreement, certain legal proceedings against SCCPL, Perpetual and their associates were withdrawn by RFL. As per the settlement agreement, SCCPL was supposed to recover Rs 40,000 lakhs on best effort basis on or before March 31, 2018. However SCCPL completely failed to perform its obligation. Hence Board of Directors in its meeting held on May 16, 2018 has taken decision to initiate the legal proceedings against the SCCPL & its related parties.

In February 2018, SCCPL and Perpetual filed a civil suit before the Delhi High Court seeking (among other reliefs) specific performance against Lakshmi Vilas Bank and impleading RFL and REL as parties. In March 2018, SCCPL, Perpetual Credit Services Private Limited and its associates filed a suit before the Saket District Court seeking, (among other reliefs) discharge from their obligations under the settlement agreement. RFL and REL have filed applications for rejection of plaint, extension of time to file written statement and certain interrogatories



17. Religare Finvest Limited ("RFL") had made certain fixed deposits with Lakshmi Vilas Bank ("LVB") in November 2016 and January 2017. LVB vide its letter dated 7th February 2018 had confirmed fixed deposits of Rs.79,144.77 lakhs to the Company. RFL received a letter dated February 9, 2018 from LVB purporting to allude to certain loans disbursed by LVB to third parties allegedly in consideration of security of the RFL's Fixed Deposits ("FDs") with LVB. By means of this letter, LVB also purported to call upon RFL to execute the security documentation in connection with the alleged loans. Vide its letter dated February 16, 2018, LVB was expressly informed that not only was RFL not party to any loans that were allegedly sanctioned or granted by LVB to any third party, as also that no authorization, sanction or approval had ever been provided by RFL to LVB permitting the creation of any security or encumbrance of the FDs for any third party loans or borrowings. LVB was also forewarned that any attempt to subject the FDs to illegal encumbrance would not only be violative of RFL's rights, but also constitute deliberate contempt by LVB of the Order dated January 5, 2018 passed by the Hon'ble Delhi High Court, a copy of which was served on LVB vide Legal notice dated February 16, 2018. However, no response was ever received by RFL to the same till May 3, 2018. While things stood thus, RFL came to be in receipt of a copy of the letter dated April 24, 2018 addressed by LVB to the statutory auditors of RFL that LVB had "closed the said deposits on 20.02.2018 to liquidate the loans availed" by third parties. This was contrary to the confirmation received by the Statutory Auditors in November 2017 via email confirming the fixed deposits. RFL has now filed a suit for recovery of the Fixed Deposit amounts aggregating Rs. 79,144.77 lakhs appropriated by LVB before the Hon'ble Delhi High Court.

18. Pursuant to the scheme of arrangement, disclosure under segment reporting is given as per Accounting Standard -17. Prior to the scheme becoming effective, the company operated in only one business segment via "Investment and Finance" and one geographical segment and hence disclosure under segment information was not required as per Accounting Standard -17.

Disclosure of Assets and Liabilities as per Regulation 33 (3) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as at March 31, 2018

| Particulars                               | Standalone         |                    | (Rs in lakhs)       |                     |
|-------------------------------------------|--------------------|--------------------|---------------------|---------------------|
|                                           | As at Year Ended   | As at Year Ended   | As at Year Ended    | As at Year Ended    |
|                                           | 31/03/2018         | 31/03/2017         | 31/03/2018          | 31/03/2017          |
|                                           | Audited            | Audited            | Audited             | Audited             |
| <b>Equity and Liabilities</b>             |                    |                    |                     |                     |
| Shareholders' Funds                       |                    |                    |                     |                     |
| Share Capital                             | 20,495.52          | 20,483.45          | 20,495.52           | 20,483.45           |
| Reserves and Surplus                      | 2,12,326.36        | 1,67,691.52        | 1,47,968.88         | 2,54,686.40         |
| Share application money pending allotment | -                  | 169.05             | -                   | 169.05              |
| Minority Interest                         | -                  | -                  | 34,125.39           | 49,435.32           |
| <b>Non - Current Liabilities</b>          |                    |                    |                     |                     |
| Long - Term Borrowings                    | -                  | 42,500.00          | 5,82,869.75         | 8,91,658.37         |
| Other Long - Term Liabilities             | -                  | 4,527.12           | 3,648.63            | 4,113.31            |
| Long - Term Provisions                    | 62,143.50          | 69,224.05          | 70,994.07           | 74,113.33           |
| <b>Current Liabilities</b>                |                    |                    |                     |                     |
| Short - Term Borrowings                   | 47,938.51          | 53,838.61          | 1,06,198.36         | 2,15,866.64         |
| Trade Payables                            | 1,099.42           | 1,508.51           | 22,932.53           | 31,407.37           |
| Other Current Liabilities                 | 8,306.27           | 45,074.25          | 4,38,699.52         | 5,26,468.54         |
| Short - Term Provisions                   | 9,531.17           | 78.39              | 1,59,113.86         | 35,374.08           |
| <b>Total</b>                              | <b>3,61,840.76</b> | <b>4,05,094.94</b> | <b>15,87,046.51</b> | <b>21,03,775.86</b> |
| <b>Assets</b>                             |                    |                    |                     |                     |
| <b>Non - Current Assets</b>               |                    |                    |                     |                     |
| <b>Fixed Assets</b>                       |                    |                    |                     |                     |
| Property, Plant and Equipment's           | 142.63             | 27.50              | 2,640.63            | 3,389.17            |
| Intangible Assets                         | 85.86              | 12.59              | 5,327.71            | 6,904.76            |
| Capital Work - in - Progress              | -                  | -                  | 391.03              | 12.03               |
| Intangible assets under development       | -                  | -                  | 727.51              | 1,178.71            |
| <b>Non - Current Investments</b>          | <b>3,35,515.88</b> | <b>3,93,955.43</b> | <b>1,42,446.06</b>  | <b>1,14,586.17</b>  |
| <b>Long - Term Loans and Advances</b>     | <b>8,961.00</b>    | <b>2,567.29</b>    | <b>6,03,768.32</b>  | <b>10,30,830.84</b> |
| <b>Other Non - Current Assets</b>         | <b>376.72</b>      | <b>-</b>           | <b>10,587.46</b>    | <b>13,325.99</b>    |
| <b>Deferred Tax Asset (Net)</b>           | <b>-</b>           | <b>-</b>           | <b>50,988.17</b>    | <b>28,212.04</b>    |
| <b>Current Assets</b>                     |                    |                    |                     |                     |
| <b>Current Investments</b>                | <b>4,607.68</b>    | <b>-</b>           | <b>44,073.45</b>    | <b>83,716.73</b>    |
| <b>Inventories</b>                        | <b>-</b>           | <b>-</b>           | <b>4.05</b>         | <b>76.52</b>        |
| <b>Trade Receivables</b>                  | <b>-</b>           | <b>-</b>           | <b>28,482.08</b>    | <b>61,200.08</b>    |
| <b>Cash and Bank Balances</b>             | <b>90.72</b>       | <b>220.41</b>      | <b>1,74,480.69</b>  | <b>2,02,150.89</b>  |
| <b>Short - Term Loans and Advances</b>    | <b>11,362.58</b>   | <b>8,183.57</b>    | <b>4,93,694.56</b>  | <b>5,26,599.82</b>  |
| <b>Other Current Assets</b>               | <b>697.69</b>      | <b>128.16</b>      | <b>29,434.79</b>    | <b>31,592.11</b>    |
| <b>Total</b>                              | <b>3,61,840.76</b> | <b>4,05,094.94</b> | <b>15,87,046.51</b> | <b>21,03,775.86</b> |



## Primary Segment (By Business Segment)

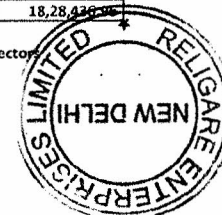
| S. No. | Particulars                              | Standalone Results          |                             |                          | (Rs in lakhs)            |                          |
|--------|------------------------------------------|-----------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|
|        |                                          | Quarter Ended<br>31/03/2018 | Quarter Ended<br>31/12/2017 | Year ended<br>31/03/2018 | Year Ended<br>31/03/2018 | Year Ended<br>31/03/2017 |
|        |                                          | (Audited)                   | (Unaudited)                 | (Audited)                | (Audited)                | (Audited)                |
| 1      | SEGMENT REVENUE                          |                             |                             |                          |                          |                          |
|        | (a) Investment and Financing Activities* | 229.75                      | -                           | 2,683.87                 | 1,57,989.05              | 3,07,638.18              |
|        | (b) Support Services                     | 603.82                      | 908.05                      | 3,672.43                 | -                        | -                        |
|        | (c) Broking Related Activities           | -                           | -                           | -                        | 32,330.70                | 37,928.35                |
|        | (d) Financial Advisory Services          | -                           | -                           | -                        | 673.57                   | 1,401.52                 |
|        | (e) E-Governance                         | -                           | -                           | -                        | 3,189.59                 | 2,491.37                 |
|        | (f) Insurance                            | -                           | -                           | -                        | 73,968.16                | 52,933.47                |
|        | (g) Asset Management Services            | -                           | -                           | -                        | 63.72                    | 26,416.89                |
|        | (h) Unallocated                          | 492.76                      | 2.18                        | 743.30                   | 1,601.66                 | 2,260.52                 |
|        | Total                                    | 1,326.32                    | 910.23                      | 7,099.59                 | 2,69,816.45              | 4,31,070.30              |
|        | Less : Inter-Segment Revenue             | -                           | -                           | -                        | 502.31                   | 1,968.22                 |
|        | Income from Operations                   | 1,326.32                    | 910.23                      | 7,099.59                 | 2,69,314.14              | 4,29,102.08              |
| 2      | SEGMENT RESULTS                          |                             |                             |                          |                          |                          |
|        | Profit/ (Loss) Before Tax from Segment   |                             |                             |                          |                          |                          |
|        | (a) Investment and Financing Activities* | (7,195.06)                  | (4,149.58)                  | (12,640.04)              | (1,57,005.64)            | (12,358.80)              |
|        | (b) Support Services                     | (390.85)                    | (20.54)                     | 163.75                   | -                        | -                        |
|        | (c) Broking Related Activities           | -                           | -                           | -                        | 100.27                   | 1,870.25                 |
|        | (d) Financial Advisory Services          | -                           | -                           | -                        | 28.33                    | (789.05)                 |
|        | (e) E-Governance                         | -                           | -                           | -                        | 883.63                   | 714.30                   |
|        | (f) Insurance                            | -                           | -                           | -                        | (1,630.54)               | (1,032.75)               |
|        | (g) Asset Management Services            | -                           | -                           | -                        | (765.75)                 | 421.36                   |
|        | (h) Unallocated                          | 438.37                      | 2.18                        | 743.30                   | 621.38                   | (2,034.27)               |
|        | Total                                    | (7,147.54)                  | (4,167.94)                  | (11,732.99)              | (1,57,768.32)            | (13,208.96)              |
|        | Less : Interest Expense                  | -                           | -                           | -                        | 16.86                    | 431.38                   |
|        | Total Profit / (Loss) Before Tax         | (7,147.54)                  | (4,167.94)                  | (11,732.99)              | (1,57,785.18)            | (13,640.34)              |
| 3      | SEGMENT ASSETS                           |                             |                             |                          |                          |                          |
|        | (a) Investment and Financing Activities* | 3,50,500.07                 | 3,44,949.53                 | 3,60,457.09              | 13,14,927.50             | 18,39,978.15             |
|        | (b) Support Services                     | 1,234.29                    | 1,514.44                    | 1,234.29                 | -                        | -                        |
|        | (c) Broking Related Activities           | -                           | -                           | -                        | 86,535.23                | 1,14,386.82              |
|        | (d) Financial Advisory Services          | -                           | -                           | -                        | 200.14                   | 1,119.45                 |
|        | (e) E-Governance                         | -                           | -                           | -                        | 1,509.56                 | 1,231.83                 |
|        | (f) Insurance                            | -                           | -                           | -                        | 1,09,803.77              | 74,883.68                |
|        | (g) Asset Management Services            | -                           | -                           | -                        | 42.43                    | 919.13                   |
|        | (h) Unallocated                          | 10,106.40                   | 8,756.57                    | 149.38                   | 74,027.88                | 71,256.80                |
|        | Total Segment Assets                     | 3,61,840.76                 | 3,55,220.54                 | 3,61,840.76              | 15,87,046.51             | 21,03,775.86             |
| 4      | SEGMENT LIABILITIES                      |                             |                             |                          |                          |                          |
|        | (a) Investment and Financing Activities* | 1,26,775.67                 | 1,12,784.47                 | 1,26,775.67              | 12,59,372.78             | 16,22,972.13             |
|        | (b) Support Services                     | 2,243.20                    | 3,181.35                    | 2,243.20                 | -                        | -                        |
|        | (c) Broking Related Activities           | -                           | -                           | -                        | 71,630.59                | 1,05,349.61              |
|        | (d) Financial Advisory Services          | -                           | -                           | -                        | 258.72                   | 487.54                   |
|        | (e) E-Governance                         | -                           | -                           | -                        | 1,497.23                 | 1,220.67                 |
|        | (f) Insurance                            | -                           | -                           | -                        | 84,739.69                | 63,321.88                |
|        | (g) Asset Management Services            | -                           | -                           | -                        | 8.71                     | 235.67                   |
|        | (h) Unallocated                          | -                           | -                           | -                        | 1,074.38                 | 34,849.46                |
|        | Total Segment Liabilities                | 1,29,018.87                 | 1,15,965.82                 | 1,29,018.87              | 14,18,582.10             | 18,28,426.96             |

Place: Gurugram  
Date: May 30, 2018



For and on behalf of the Board of Directors

*Krishnan*  
Krishnan Subramanian  
Director - Finance



**Independent Auditor's Report on Quarterly and Year to Date Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015**

To Board of Directors of  
**Religare Enterprises Limited**

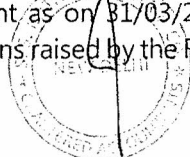
1. We have audited the accompanying statement of standalone financial results of Religare Enterprises Limited ("the Company") for the quarter ended 31st March 2018 and the year to date results for the period April 01, 2017 to March 31, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

These quarterly standalone financial results as well as the year to date standalone financial results have been prepared on the basis of related standalone financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Further, the quarterly standalone financial results for the quarter ended March 31, 2018 are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures for the period April 1, 2017 to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review in accordance with Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' as issued by the Institute of Chartered Accountants of India. Our responsibility is to express an opinion on these standalone financial results based on our audit of such annual standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the prescribed Accounting standards mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; as applicable and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

**Emphasis of Matter**

3. Attention is invited to note no 14(b) of the annexed financial results of the company in relation to significant decline in the net worth of Religare Finvest Limited (RFL), subsidiary of the company, adjustment of Fixed deposit of Rs. 75000 Lakhs (representing Rs. 79145 Lakhs as per financial statement as on 31/03/2018) by Laxmi Vilas Bank (LVB), which is under litigation, besides concerns raised by the RBI on the operations of RFL and restriction



on expansion of credit/ investment portfolio. Management of the RFL is in the process of taking various action including the definitive additional capital infusion plan, induction of new management personnel, discussion with RBI for relaxing the restriction imposed on the business capability of the company, initiating detailed diligence from a law firm of repute of (i) corporate loan book and (ii) Recoverable from Strategic Credit Capital Private Limited and Perpetual Credit Services Private Limited besides strengthening the internal controls and corporate governance mechanism. Considering all these measures, management is of the view that there would be significant improvement in the financial position of RFL. Hence, decline in the net worth of RFL is considered as temporary and consequently no impairment provision has been considered necessary.

Our opinion is not qualified in respect of this matter.

**Opinion**

4. In our opinion and to the best of our information and according to the explanations given to us these quarterly standalone financial results as well as the year to date results:
  - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and
  - (ii) give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2018 as well as the standalone financial results for the year ended March 31, 2018.

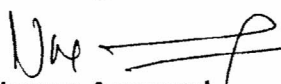
**Other Matters**

5. We have been informed by the management of the company that RBI has concluded its inspection on the records of the company as on 31st March 2017, however report of the same is yet to be received by the company. Pending receipt of such report, its impact on the financials of the company, if any cannot be ascertained.
6. The financial results/ comparative financial information of the Company for the quarter and year ended on 31<sup>st</sup> March, 2017 included in the Statement were audited by the predecessor auditors who issued their unmodified audit report dated June 29, 2017. These reports have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the statement.

For **S. S. KOTHARI MEHTA & CO.**

Chartered Accountants

Firm's Registration Number: 000756N



**Naveen Aggarwal**

Partner

Membership Number: 094380



Place: Gurugram

Date: May 30, 2018

**Independent Auditor's Report on Consolidated Year to Date Results of Religare Enterprises Limited  
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,  
2015**

To the Board of Directors of  
**Religare Enterprises Limited**

1. We have audited the accompanying consolidated financial results of Religare Enterprises Limited ('herein after referred to as 'the Holding Company') its subsidiary and its jointly controlled entity (the Holding Company, its subsidiary and Jointly controlled entity together referred to as "the Group") for the year ended 31 March 2018, ("the statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

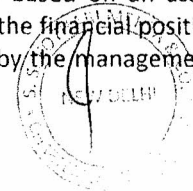
These consolidated financial results have been prepared on the basis of the audited annual consolidated financial statements, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial result based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down as per Accounting standards (AS) mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as applicable and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the auditing standards issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

**Basis for Qualified Opinion**

The Qualification given in Auditors Report of Religare Finvest Limited ("RFL") is reproduced here under.

3. The Lakshmi Vilas Bank (LVB) has adjusted Fixed Deposit of Rs 75000 Lacs (representing Rs. 79145 Lacs as per financial statement as on 31 March 2018) due to RFL against the loans granted by LVB to RHC Holding Pvt. Ltd and Ranchem Pvt. Ltd; RFL has claimed the reinstatement of the said fixed deposits and has filed a suit before to the Hon'ble Delhi High Court for declaration and recovery. Pending disposal of the case, we are unable to comment on the status and classification.
4. Attention is invited to note no. 15 relating to Corporate Loan Book (CLB portfolio) aggregating to Rs. 203670 Lacs as on 31 March 2018 given to certain companies. The Reserve Bank India ('RBI') in its letter dated 27 January 2017 to RFL, had also raised concerns about the credit worthiness of the borrowers, credit appraisals and loan sanctioning mechanism. The RBI further directed RFL to reduce its CLB portfolio and to submit action plan to this effect. RFL was required to submit an action plan approved by Board for ensuring that unsecured loans to corporates are not sanctioned in future. We have been explained by the management that it has initiated legal recourse and has issued legal notices to the borrowers. We have also been explained by the management that a law firm of repute has been appointed to undertake a detailed diligence on this loan book. RFL has, on prudent basis made a provision amounting to Rs.1,01285 Lacs against this portfolio based on an assessment of security available, maturity dates of loans, recovery steps instituted and the financial position of the borrowers. Pending outcome of the said diligence & recovery steps taken by the management, we are unable to comment on the appropriateness of the provision so made.



Further, the RBI had also observed that some of these select borrowers had passed on funds to the promoter/ erstwhile Director controlled companies. We are unable to comment on the violations of NBFC Group Exposure Guidelines or to violations of Companies Act, 2013, if any, as we do not have access to the records of the borrower companies.

Also, in previous year auditor's report, there was modified opinion in this regard.

**Emphasis of Matter –**

5. Attention is invited to note no 14(b) of the annexed financial results of the company in relation to significant decline in the net worth of Religare Finvest Limited (RFL), subsidiary of the company, adjustment of Fixed deposit of Rs. 75000 Lakhs (representing Rs. 79145 Lakhs as per financial statement as on 31 March 2018) by Laxmi Vilas Bank (LVB), which is under litigation, besides concerns raised by the RBI on the operations of RFL and restriction on expansion of credit/ investment portfolio. Management of the RFL is in the process of taking various action including the definitive additional capital infusion plan, induction of new management personnel, discussion with RBI for relaxing the restriction imposed on the business capability of the company, initiating detailed diligence from a law firm of repute of (i) corporate loan book and (ii) Recoverable from Strategic Credit Capital Private Limited and Perpetual Credit Services Private Limited besides strengthening the internal controls and corporate governance mechanism. Considering all these measures, management is of the view that there would be significant improvement in the financial position of RFL. Hence, decline in the net worth of RFL is considered as temporary and consequently no impairment provision has been considered necessary.

Our opinion is not qualified in respect of this matter.

6. The Emphasis of Matter given in Auditors Report of subsidiary companies is reproduced here under.

**a) Religare Finvest Limited ("RFL")**

Attention is invited to note no. 16, during the year ended March 31, 2016, there were certain assignment of loans by RFL to Strategic Credit Capital Private Limited ('SCCPL') and during the year ended March 31, 2017, the amounts recoverable from SCCPL and Perpetual Credit Services Private Limited ('Perpetual') aggregating to Rs. 79367 Lacs were written off by RFL and various legal proceedings were initiated by the parties against each other. During the year ended March 31, 2018 RFL entered into a settlement agreement with the counterparties pursuant to which the various cases against each other at various courts and tribunals were withdrawn on consent terms, however RFL retained its right to recover the amounts due from SCCPL and Perpetual. Despite the settlement agreement SCCPL has filed suits against RFL at various forums. RFL is in the process of detailed diligence on these and connected transactions and is pursuing appropriate legal remedies to recover the amounts due to it and expect that there will not be any obligation on RFL out of these cases.

**b) Religare Comtrade Limited (RCTL)**

We draw attention towards note no. 4, 5 and 6 of the financial statements of RCTL. Based on the letter of comfort from the ultimate holding company, the financial statements have been prepared on a going concern basis.



**c) Religare Wealth Management Ltd (RWML)**

We draw attention to note no. 1 to the financial statements of RWML regarding the preparation of the financial statements on realizable value basis in the financial year 2016-17 in view of the sale of commercial operations of the RWML and the other reasons mentioned in the aforesaid note.

Further, we draw attention to note no. 26(f) to the financial statements of RWML regarding non appointment of Company Secretary, which have been reappointed subsequently.

Our opinion is not qualified in respect of these matters.

**7. Qualified Opinion**

Except for para 4 & 5 above, the impact of which is unascertained in our opinion and to the best of our information and according to the explanations given to us these consolidated year to date results:

(i) Includes the quarterly and year ended financial results of the following:-

**a) Subsidiary**

Religare Global Asset Management Inc.  
Religare Credit Advisors LLP  
Cerestra Advisors Pvt Ltd.  
Religare Commodity DMCC  
Religare Comtrade Limited  
Religare Commodities Limited  
Religare Securities limited  
Religare Wealth Management Limited  
Religare Business Solutions Limited  
Religare Housing Development Finance Corporation Limited  
Religare Insurance Limited  
Religare Health Insurance Company Limited.  
Religare Finvest Limited

**b) Joint Venture**

IBOF Investment Management Private Limited

(ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(iii) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net loss and other financial information for the year ended March 31, 2018.

**8. Other Matters**

a) We did not audit the financial statement of 4 Subsidiary Companies (including subsidiaries incorporated outside India) whose financial statement reflect total assets of Rs. 986.32 Lakhs as at March 31, 2018, total revenue of Rs. 470.33 Lakhs, net cash inflows amounting to Rs. 180.45 Lakhs, Loss after Tax of Rs. 80.94 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on the certificate furnished by the management.



- b) We did not audit the financial statement of 2 Subsidiary Companies whose financial statement reflect total assets of Rs. 109865.64 Lakhs as at March 31, 2018, total revenue of Rs. 73943.41 Lakhs, net cash out flows amounting to Rs. 1121.93 Lakhs, Loss after Tax of Rs. 1625.67 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on the report of the other auditors.
- c) Consolidated Financial statement includes group share of total assets of Rs. 111.31 Lakhs as at March 31, 2018, total revenue of Rs. 127.43 Lakhs, net cash out flows amounting to Rs. 7.27 Lakhs, Loss after Tax of Rs. 724.67 Lakhs for the year ended on that date in respect of one joint venture company, as considered in the consolidated financial statements. These financial statements are audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Joint venture is based solely on the certificate furnished by the management.
- d) We have been informed by the management of the company that RBI has concluded its inspection on the records of the company as on 31st March 2017, however report of the same is yet to be received by the company. Pending receipt of such report, its impact on the financials of the company, if any cannot be ascertained.
- e) The consolidated financial results/ comparative financial information of the Company for the year ended on 31<sup>st</sup> March, 2017 included in the Statement were audited by the predecessor auditors who issued their modified audit report dated June 29, 2017. These reports have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the statement.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to reliance on the work done and the reports of the other auditors and financial statement certified by the management.

For **S. S. KOTHARI MEHTA & CO.**

Chartered Accountants

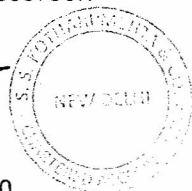
Firm's Registration Number: 000756N



**Naveen Aggarwal**

Partner

Membership Number: 094380



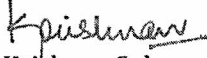
Place: Gurugram

Date: May 30, 2018

**Annexure - B****Declaration with respect to the Audit Report with unmodified opinion to the Audited  
Standalone Financial Result for the year ended 31st March, 2018**

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we do hereby confirm that the Statutory Auditors of the Company M/s S S Kothari Mehta & Co., Chartered Accountants, have issued an Audit Report with unmodified opinion on the Audited Standalone Financial Results of the Company for the year ended 31<sup>st</sup> March, 2018.

**For Religare Enterprises Limited**

  
**Krishnan Subramanian**  
Director - Finance

Date: May 30, 2018



Religare Enterprises Limited

CIN: L74899DL1984PLC146935

Regd. Office : 2nd Floor, Rajlok Building, 24, Nehru Place, New Delhi-110019

Corporate Office : Pirus Global, A - 3,4,5, Sector 125, Noida, Uttar Pradesh - 201301

Phone : +91-11-46272400, Fax No.: +91-11-46272447

Phone : +91-120-339 1000 Fax No.: +91-120-3396248

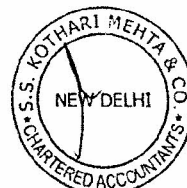
**Religare Enterprises Limited**

Regd. Office : 2nd Floor, Rajlok Building, 24, Nehru Place, New Delhi -110019

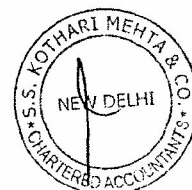
**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018 on Consolidated Financial Results**

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

| Amount in Rs.) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                     |                                                                   |                                                                       |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------|
| I              | Sl. No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Particulars                                                         | Audited Figures (as reported before adjusting for qualifications) | Adjusted Figures (audited figures after adjusting for qualifications) |
|                | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Turnover / Total Income                                             | NA                                                                | NA                                                                    |
|                | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Total Expenditure                                                   | NA                                                                | NA                                                                    |
|                | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Net Profit/(Loss)                                                   | NA                                                                | NA                                                                    |
|                | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Earnings Per Share                                                  | NA                                                                | NA                                                                    |
|                | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Total Assets                                                        | NA                                                                | NA                                                                    |
|                | 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Total Liabilities                                                   | NA                                                                | NA                                                                    |
|                | 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Net Worth                                                           | NA                                                                | NA                                                                    |
|                | 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Any other financial item(s) (as felt appropriate by the management) | NA                                                                | NA                                                                    |
| II(a)          | <b><u>Audit Qualification (each audit qualification separately):</u></b> <p>a. Details of Audit Qualification:</p> <p>The Lakshmi Vilas Bank (LVB) has adjusted Fixed Deposit of Rs 75000 Lacs (representing Rs. 79145 Lacs as per financial statement as on 31 March 2018) due to RFL against the loans granted by LVB to RHC Holding Pvt. Ltd and Ranchem Pvt. Ltd; RFL has claimed the reinstatement of the said fixed deposits and has filed a suit before to the Hon'ble Delhi High Court for declaration and recovery. Pending disposal of the case, we are unable to comment on the status and classification.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: First Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Auditors have not quantified the impact of the Qualified Opinion</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) <b>Management's estimation on the impact of audit qualification:</b><br/>Religare Finvest Limited ("RFL") had made certain fixed deposits with Lakshmi Vilas Bank ("LVB") in November 2016 and January 2017. LVB vide its letter dated 7th February 2018 had confirmed fixed deposits of Rs. 79,144.77 Lakhs to RFL.</p> <p>RFL received a letter dated February 9, 2018 from LVB purporting to allude to certain loans disbursed by LVB to third parties allegedly in consideration of security of the RFL's Fixed Deposits ("FDs") with LVB. By means of this letter, LVB also purported to call upon RFL to execute the security documentation in connection with the alleged loans.</p> <p>Vide its letter dated February 16, 2018. LVB was expressly informed that not only RFL was not party to any loans that were allegedly sanctioned or granted by LVB to any third party, as also that no authorization, sanction or approval had ever been provided by RFL to LVB permitting</p> |                                                                     |                                                                   |                                                                       |



|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       | <p>the creation of any security or encumbrance of the FDs for any third party loans or borrowings. LVB was also forewarned that any attempt to subject the FDs to illegal encumbrance would not only be violative of RFL's rights, but also constitute deliberate contempt by LVB of the Order dated January 5, 2018 passed by the Hon'ble Delhi High Court, a copy of which was served on LVB vide Legal notice dated February 16, 2018. However, no response was ever received by RFL to the same till May 30, 2018.</p> <p>While things stood thus, RFL came to be in receipt of a copy of the letter dated April 24, 2018 addressed by LVB to the statutory auditors of RFL that LVB had "closed the said deposits on 20.02.2018 to liquidate the loans availed" by third parties. This was contrary to the confirmation received by the Statutory Auditors in November 2017 via email confirming the fixed deposits. RFL has now filed a suit for recovery of the Fixed Deposit amounts aggregating Rs. 79,144.77 Lakhs appropriated by LVB before the Hon'ble Delhi High Court.</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p> <p>(iii) Auditors' Comments on (i) or (ii) above: The Auditors are of the view that pending disposal of the case, we are unable to comment on the status and classification.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| II(b) | <p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. Details of Audit Qualification:</p> <p>Attention is invited to note no. 15 relating to Corporate Loan Book (CLB portfolio) aggregating to Rs. 203670 Lacs as on 31 March 2018 given to certain companies. The Reserve Bank India ('RBI') in its letter dated 27 January 2017 to RFL, had also raised concerns about the credit worthiness of the borrowers, credit appraisals and loan sanctioning mechanism. The RBI further directed RFL to reduce its CLB portfolio and to submit action plan to this effect. RFL was required to submit an action plan approved by Board for ensuring that unsecured loans to corporates are not sanctioned in future. We have been explained by the management that it has initiated legal recourse and has issued legal notices to the borrowers. We have also been explained by the management that a law firm of repute has been appointed to undertake a detailed diligence on this loan book. RFL has, on prudent basis made a provision amounting to Rs.1,01285 Lacs against this portfolio based on an assessment of security available, maturity dates of loans, recovery steps instituted and the financial position of the borrowers. Pending outcome of the said diligence &amp; recovery steps taken by the management, we are unable to comment on the appropriateness of the provision so made.</p> <p>Further, the RBI had also observed that some of these select borrowers had passed on funds to the promoter/ erstwhile Director controlled companies. We are unable to comment on the violations of NBFC Group Exposure Guidelines or to violations of Companies Act, 2013, if any, as we do not have access to the records of the borrower companies.</p> <p>Also, in previous year auditor's report, there was modified opinion in this regard.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: In previous year auditor's report, there was modified opinion in this regard.</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Auditors have not quantified the impact of the Qualified Opinion</p> |



e. For Audit Qualification(s) where the impact is not quantified by the auditor:

**(i) Management's estimation on the impact of audit qualification:**

RFL has an exposure of Rs 203,670.00 Lakhs towards the Corporate Loan Book. RBI has raised concerns in the past about the credit worthiness of the borrowers, credit appraisal and loan sanctioning mechanism followed by the company in respect of this book. The management has reviewed the portfolio and the financial reports of the borrowers to determine the recoverability of the said loans.

As a part of the recovery process, the management has already issued legal notices to the borrowers and is in the process of initiating further action on the same. RFL is also in the process of appointing a law firm of repute to undertake a detailed diligence on this loan book. Post submission of the report and the steps outlined for recovery, RFL intends to pursue all legal means for recovering the loans.

In the interim based on the security available, maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, RFL has, on a prudent basis, made a provision of Rs. 101,285.00 Lakhs against this portfolio.

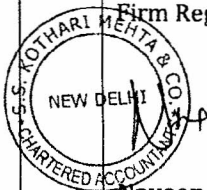
(ii) If management is unable to estimate the impact, reasons for the same: NA

(iii) Auditors' Comments on (i) or (ii) above: The Auditors are of the view that we are unable to comment on the violations of NBFC Group Exposure Guidelines or to violations of Companies Act, 2013, if any, as we do not have access to the records of the borrower companies.

III

**Signatories:**

**For S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.:000756N



**Naveen Aggarwal**  
Partner  
Membership No.094380

**Place :- Gurugram**  
**Date :- May 30, 2018**



**For Religare Enterprises Limited**

**Ashok Mehta**  
Interim CEO

**Krishnan Subramanian**  
Director - Finance

**Vikram Talwar**  
Audit Committee Chairman